

OFFICE OF THE GOVERNOR
COMMONWEALTH OF MASSACHUSETTS
STATE HOUSE • BOSTON, MA 02133
(617) 725-4000

DEVAL L. PATRICK
GOVERNOR

TIMOTHY P. MURRAY
LIEUTENANT GOVERNOR

May 23, 2008

To the Honorable Senate and House of Representatives:

I am filing for your consideration a bill recommending Fiscal Year 2008 supplemental appropriations totaling \$113.3 million. This legislation is necessary to address \$112.7 million in immediate deficiencies and provide \$606,504 for a newly ratified collective bargaining contract at the University of Massachusetts. In addition it enables \$787,875 in Fiscal Year 2008 appropriations be made available for expenditure in Fiscal Year 2009 for fuel assistance to Veterans.

The items included in this supplemental recommendation will fund existing obligations and include, among other items:

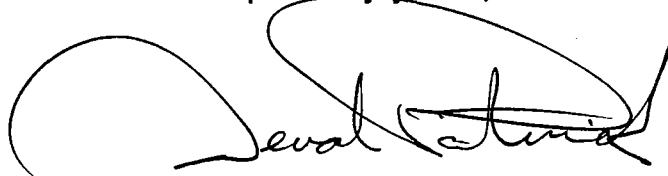
- \$36 million for MassHealth caseload, payment rate and utilization increases that cannot be absorbed through savings in other areas within the MassHealth program;
- \$29.4 million for the Group Insurance Commission to address increased costs for state employee health created by unanticipated utilization;
- \$14.9 million for County Corrections to address deficiencies in the offices of 6 County Sheriffs;
- \$10 million for increased caseloads at the Department of Social Services (DSS) and the Department of Transitional Assistance (DTA); and
- \$2.4 million for the Department of State Police to address a cruiser fuel deficiency and overtime pay obligations.

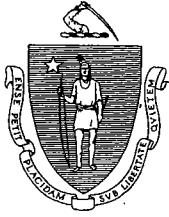
I am pleased that the legislature enacted the April supplemental bill. However, I remain supportive of the outside sections that were included in my supplemental recommendation and I will continue to push for their enactment.

This legislation promotes efficient government by transferring to the Commonwealth six sheriffs who are still county officers. The other seven sheriffs' offices already became state agencies when the Legislature abolished their county governments. This provision will not abolish the remaining seven county governments. However, it will provide more stable and predictable budgeting for the transferred sheriffs' offices. Also, this transfer brings the sheriffs' offices onto the state payroll and accounting systems and allows the state Group Insurance Commission to provide their employees' health care, at considerable savings. Under this provision these sheriffs' budgets will no longer rely on multiple, sometimes volatile, revenue sources. Rather, the affected sheriffs' offices will enjoy a stable and predictable source of funding that should alleviate the need for annual supplemental funding.

Sufficient revenues are estimated to be available to finance these appropriations. I urge your prompt and favorable consideration of this bill.

Respectfully yours,

A handwritten signature in black ink, appearing to read "Deval Patrick", with a large, sweeping loop at the end.



The Commonwealth of Massachusetts

IN THE YEAR TWO THOUSAND

EIGHT

AN ACT

MAKING APPROPRIATIONS FOR THE FISCAL YEAR 2008
TO PROVIDE FOR SUPPLEMENTING CERTAIN EXISTING
APPROPRIATIONS AND FOR CERTAIN
OTHER ACTIVITIES AND PROJECTS.

Whereas, The deferred operation of this act would tend to defeat its purposes, which are forthwith to make supplemental appropriations for fiscal year 2008 and to make certain changes in law, each of which is immediately necessary to carry out those appropriations or to accomplish other important public purposes, therefore it is hereby declared to be an emergency law, necessary for the immediate preservation of the public convenience.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. To provide for supplementing certain items in the general appropriation act and other appropriation acts for fiscal year 2008, the sums set forth in section 2 are hereby appropriated from the General Fund unless specifically designated otherwise in this act or in those appropriation acts, for the several purposes and subject to the conditions specified in this act or in those appropriation acts, and subject to the laws regulating the disbursement of public funds for the fiscal year ending June 30, 2008. These sums shall be in addition to any amounts previously appropriated and made available for the purposes of those items.

SECTION 2.

JUDICIARY

Committee for Public Counsel Services

0321-1510\$10,425,019

OFFICE OF THE STATE COMPTROLLER

Office of the State Comptroller

1599-3384.....\$2,000,000

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

Group Insurance Commission

1108-5200\$29,398,522

1108-5500\$100,000

EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

Department of Public Health

4513-1020\$2,000,000

Department of Transitional Assistance

4405-2000\$693,097

4408-1000\$2,365,244

Department of Social Services

4800-0038\$3,699,548

4800-0041\$3,226,432

Department of Veterans' Services

1410-0400\$3,182,626

Division of Medical Assistance

4000-0500\$36,000,000

EXECUTIVE OFFICE OF PUBLIC SAFETY AND SECURITY

Office of the Secretary of Public Safety and Security

8000-0040\$2,363,035

8910-0000\$14,876,000

Department of State Police

8100-0000\$1,400,000

8100-0007\$981,934

SECTION 2A. To provide for certain unanticipated obligations of the commonwealth, to provide for an alteration of purpose for current appropriations, and to meet certain requirements of law, the sums set forth in this section are hereby appropriated from the General Fund unless specifically designated otherwise in this section, for the several purposes and subject to the conditions specified in this section, and subject to the laws regulating the disbursement of public funds for the fiscal year ending June 30, 2008. These sums shall be in addition to any amounts previously appropriated and made available for the purposes of those items.

EXECUTIVE OFFICE FOR ADMINISTRATION AND FINANCE

Office of the Secretary of Administration and Finance

1599-4279 For a reserve to meet the fiscal year 2008 costs of salary adjustments and other economic benefits authorized by the collective bargaining agreement between the University of Massachusetts and the Graduate Employees Organization, UAW, Local 2322 at the Amherst campus, and to meet the fiscal year 2008 costs of salary adjustments and other economic benefits necessary to provide equal adjustments and benefits to employees employed in confidential positions which otherwise would be covered by this agreement; provided, that the personnel administrator, with the approval of the secretary of administration and finance, shall determine these adjustments and benefits for the confidential employees in accordance with the collective bargaining agreement then in effect which otherwise would cover these positions; provided further, that the secretary may transfer from the sum appropriated in this item to other items of appropriation and allocations thereof for fiscal year 2008 amounts that are necessary to meet these costs where the amounts otherwise available are insufficient for the purpose, in accordance with a transfer plan which shall be filed in advance with the house and senate committees on ways and means.....\$606,504

SECTION 2C.I. For the purpose of making available in fiscal year 2009 balances of appropriations which otherwise would revert on June 30, 2008, the unexpended balances of the maintenance appropriations listed below, not to exceed the amount specified below for each item, are hereby re-appropriated for the purposes of and subject to the conditions stated for the corresponding item in section 2 of the general appropriation act for fiscal year 2008. However, for items which do not appear in section 2 of the general appropriation act, the amounts in this section are re-appropriated for the purposes of and subject to the conditions stated for the corresponding item in section 2 or 2A of this act or in prior appropriation acts. Amounts in this section are re-appropriated from the fund or funds designated for the corresponding item in section 2 of the general appropriation act; provided, however, that for items which do not appear in section 2 of the general appropriation act, the amounts in this section are re-appropriated from the fund or funds designated for the corresponding item in section 2 or 2A of this act or in prior appropriation acts. The sums re-appropriated in this section shall be in addition to any amounts available for said purposes.

EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

Department of Veterans' Services

1410-0400\$787,875

SECTION 3. Section 1 of chapter 34B of the General Laws, as appearing in the 2006 Official Edition, is hereby amended by adding the following 2 sentences: - All functions, duties, responsibilities, real and personal property and employees of sheriffs in Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties are hereby transferred to the commonwealth under this chapter, as if the governments of those counties had been abolished under this chapter, as of January 1, 2009, and the second, fourth and fifth paragraphs of section 18 shall apply for sheriffs' employees so transferred. If such a sheriff occupies part of a building or structure

owned by a county, the county shall lease that part of the building or structure to the commonwealth under reasonable terms determined by the commissioner of capital asset management.

SECTION 4. Chapter 64D of the General Laws, as so appearing, is hereby amended by striking out sections 11, 12 and 13 and inserting in their place the following 2 sections:-

Section 11. Except for Barnstable county, there shall be established upon the books of each county the government of which has not been abolished by chapter 34B or other law, a separate fund, maintained separate and apart from all other funds and accounts of each county, to be known as the Deeds Excise Fund. Notwithstanding any general or special law to the contrary, and except for Barnstable and Suffolk counties and all counties the government of which has been abolished by chapter 34B or other law, on the first day of each month, 10.62 per cent of the taxes collected under this chapter shall be transmitted to the Deeds Excise Fund for each county. For Suffolk county, 6.37 per cent of the taxes collected under this chapter shall be transmitted to the Deeds Excise Fund, but after June 30, 2009, all taxes collected under this chapter in Suffolk county shall be transmitted to and retained by the General Fund of the commonwealth. The remaining percentage of taxes collected under this chapter, including all taxes collected under this chapter in Barnstable county and all counties the government of which has been abolished by chapter 34B or other law, but not including the additional excise authorized by section 2 of chapter 163 of the acts of 1988, shall be transmitted to and retained by the General Fund of the commonwealth in accordance with section 10.

Section 12. (a) There shall be within the executive office for administration and finance a county government finance review board, in this section called the board, consisting of the secretary for administration and finance or her designee, the commissioner of revenue or her designee, the secretary of public safety or his designee, the state auditor or his designee and a former Massachusetts sheriff appointed by majority vote of the Massachusetts Sheriffs' Association. The secretary of administration and finance or her designee shall serve as chairperson of the board.

(b) Notwithstanding any general or special law or county charter to the contrary, no annual or supplementary budget of any county shall take effect until reviewed and approved by the board. The board shall not approve any budget of any county unless it is satisfied:

(1) that the estimates of revenue are reasonable and that adequate funding has been provided for all necessary county expenditures;

(2) that, except for Suffolk County, of the amounts deposited in the Deeds Excise Fund for each county from revenues derived under this chapter, (a) not more than 60 per cent of the deposits shall be disbursed and expended for meeting the costs of the operation and maintenance of the county; and (b) not less than 40 per cent shall be disbursed and expended for the automation, modernization and operation of the registries of deeds; but in Suffolk county, that all of the deposits are to be disbursed and expended for meeting the costs of the operation and maintenance of the county; and

(3) that with respect to funds appropriated for the purpose designated in sub-clause (b) of clause (2) and which are not dedicated to the Deeds Excise Fund in each county under section 11, the submitted proposed budget shall provide a continuing amount of expenditure of not less than 102.5 per cent of the amount expended for that purpose in the preceding fiscal year.

(c) If a proposed budget is disapproved by the board, the county commissioners or any successor body shall, with the approval of the county advisory board, if applicable, and within 30 days of notification of disapproval of the proposed budget, resubmit a revised proposed budget to the board, which addresses the board's concerns.

(d) The board shall develop guidelines for implementing this section.

SECTION 5. Chapter 425 of the acts of 1991 is hereby repealed. The criminal detention facility constructed under said chapter 425 shall be transferred to the commonwealth. The Plymouth County Correctional Facility Corporation is hereby dissolved and its assets transferred to the commonwealth, but the revenue held in the Repair and Replacement and Capital Improvement Accounts by the Plymouth County Correctional Facility Corporation shall be transferred to the Plymouth sheriff's Facility Maintenance Trust Account. The Plymouth sheriff shall make expenditures from this account only for the maintenance, repair and replacement of the sheriff's facilities.

SECTION 6. Item 4000-0320 of section 2 of chapter 61 of the acts of 2007 is hereby amended by inserting, after the words "rendered in the current fiscal year", the following words:- ; provided further, that for the purpose of accommodating discrepancies between the receipt of retained revenues and related expenditures, the department may incur expenses and the comptroller may certify for payment amounts not to exceed the lower of this authorization or the most recent revenue estimate as reported in the state accounting system.

SECTION 7. Item 4000-1420 of said section 2 of said chapter 61 is hereby amended by striking out the figure "\$233,916,047" and inserting in place thereof the following figure:-

\$222,916,047.

SECTION 8. The second sentence of section 55 of said chapter 61, as amended by section 57 of chapter 140 of the acts of 2007, is hereby further amended by striking out the clause "provided further, that the comptroller, in consultation with the office and the executive office of health and human services, shall transfer funds from the fund to the executive office for the purpose of the Title XIX service rate payments;".

SECTION 9. Notwithstanding any general or special law or rule or regulation to the contrary, any unexpended balances, not to exceed a total of \$15,000,000, in items 4000-0600 and 4000-0700 of section 2 of chapter 61 of the acts of 2007, shall not revert to the General Fund until September 1, 2008, and may be used by the executive office of health and human services to pay for services provided during fiscal year 2008.

SECTION 10. Notwithstanding any general or special law to the contrary, the funds made available to the Group Insurance Commission through this act after June 30, 2008 shall be made available for expenses of the Commission through June 30, 2008.

SECTION 11. Notwithstanding any general or special law to the contrary, in fiscal year 2009 the state treasurer, under section 20 of chapter 59 of the General Laws, shall assess the city of Boston amounts equal to the minimum obligations of Suffolk county, respectively, to fund from

their own revenues in fiscal year 2008 the operations of the office of the sheriff. Notwithstanding any general or special law to the contrary, in fiscal year 2009, Barnstable, Bristol, Dukes, Norfolk, and Plymouth counties shall appropriate and pay to the state treasurer, on or before November 1, 2008, amounts equal to the minimum obligations to fund from their own revenues in fiscal year 2008 the operations of the office of the sheriff.

The commissioner of revenue shall reduce the fiscal year 2010 assessment limit of Barnstable, Bristol, Norfolk, Dukes, Norfolk, and Plymouth counties under section 20A of chapter 59 of the General Laws by amounts equal to the minimum obligations to fund from their own revenues in fiscal year 2008 the operations of the office of the sheriff.

SECTION 12. Notwithstanding any general or special law to the contrary, and except for all counties the governments of which have been abolished by chapter 34B or other law, all revenues of the office of sheriff in Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties, except civil process fees, inmate commissary funds, or other funds or fees deemed necessary for the operation of the office of sheriff as approved by the secretary of administration and finance, shall be paid to the state treasurer. Any un-encumbered carry-forward deeds excise or other funds to the credit of the sheriff as of June 30, 2008 shall be paid to the state treasurer, but the county treasurer may pay appropriate fiscal year 2008 sheriff's department obligations after June 30, 2008. Payment of obligations to be charged to the sheriff's fiscal year 2008 budget as approved by the county government finance review board must be within that budget or otherwise be approved by the secretary of administration and finance.

SECTION 13. Notwithstanding any general or special law to the contrary, the sheriffs in Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties who are in office immediately before the transfer date shall become employees of the commonwealth with salaries to be paid by the commonwealth. The sheriffs shall remain elected officials under section 159 of chapter 54 of the General Laws. The sheriffs shall operate pursuant to chapter 37 of the General Laws. The sheriffs shall retain administrative and operational control over their respective office of the sheriff, the jail, and the house of correction upon the effective date of this act.

SECTION 14. Notwithstanding any general or special law to the contrary, the sheriff in Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties shall be considered an "employer" as that term is defined in section 1 of chapter 150E of the General Laws for the purposes of said chapter 150E.

SECTION 15. Notwithstanding any general or special law or rule or regulation to the contrary, the sheriffs, all deputies, jailers, superintendents, keepers, officers, assistants and other employees of the sheriffs in Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties, employed immediately before the transfer date in the discharge of their responsibilities set forth in section 24 of chapter 37 and section 16 of chapter 126 of the General Laws, shall be transferred to the commonwealth with no impairment of employment rights held immediately before the transfer date, without interruption of service, without impairment of seniority, retirement or other rights of employees, without reduction in compensation or salary grade and without change in union representation. Any collective bargaining agreement in effect immediately before the transfer date shall continue in effect and the terms and conditions of

employment therein shall continue as if the employees had not been so transferred. Nothing in this section shall be construed to confer upon any employee any right not held immediately before the date of said transfer, or to prohibit any reduction of salary grade, transfer, reassignment, suspension, discharge layoff or abolition of position not prohibited before such date. All demands, notices, citations, writs, precepts and all other notices given by the sheriff, deputies, jailers, superintendents, keepers, officers, assistants or other employees of the Sheriffs of Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties, as the case may be, on or before the transfer date shall be valid and effective for all purposes unless otherwise revoked, suspended, rescinded, canceled or terminated in accordance with law. Any enforcement activity imposed by the sheriff, any deputies, jailers, superintendents, keepers, officers, assistants or other employees of the Sheriffs of Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties, before the transfer date, shall be valid, effective and continuing in force according to the terms thereof for all purpose unless superseded, revised, rescinded or canceled in accordance with law.

All petitions, hearings appeals, suits and other proceedings duly brought against, and all petitions, hearings, appeals, suits, prosecutions and other legal proceedings begun by the sheriff, deputies, jailers, superintendents, keepers, officers, assistants or the employees of the Sheriffs of Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties, as the case may be, which are pending before the transfer date shall continue unabated and remain in force notwithstanding the passage of this act. All records maintained by the sheriff, deputies, jailers, superintendents, keepers, officers, assistants and other employees of the sheriffs of Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties before the transfer date shall continue to enjoy the same status in any court or administrative proceeding, whether pending on said transfer date or commenced thereafter, as they would have enjoyed in the absence of the passage of this act.

SECTION 16. All officers and employees of the sheriffs in Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties transferred to the service of the commonwealth shall be transferred with no impairment of seniority, retirement or other rights of employees, without reduction in compensation or salary grade and without change in union representation, except as otherwise provided in this act. Any collective bargaining agreement in effect for such transferred employees immediately before the transfer date shall continue as if the employees had not been so transferred, until the expiration date of such collective bargaining agreement. Nothing in this section shall be construed to confer upon any employee any right not held immediately prior to the date of said transfer, or to prohibit any reduction of salary or grade, transfer, reassignment, suspension, discharge, layoff or abolition of position not prohibited prior to such date.

SECTION 17. (a) Notwithstanding any general or special law to the contrary, employees of the sheriffs of Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties who become state employees under this act and who are eligible for group insurance coverage as provided under chapter 32B of the General Laws or who are insured under said chapter 32B, shall have that eligibility and coverage transferred to the jurisdiction of the group insurance commission effective 4 months after the transfer date, and those employees shall cease to be eligible or insured under said chapter 32B. The group insurance commission shall provide uninterrupted coverage for group life and accidental death and dismemberment insurance and group general or blanket insurance providing hospital, surgical, medical, dental and other health insurance benefits to the extent authorized under chapter 32A of the General Laws; but county employees who were covered by a collective bargaining agreement on the date of the transfer shall continue

to receive the group insurance benefits required by their respective collective bargaining agreements until the expiration date of those agreements. All questions relating to group insurance rights, obligations, costs and payments shall be determined by the group insurance commission, and shall include the manner and method for the payment of all required premiums applicable to all such coverage.

(b) Notwithstanding any general or special law to the contrary, retired employees of the sheriffs of Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties and the surviving spouses of active or retired county employees who are eligible for group insurance coverage as provided under chapter 32B of the General Laws or who are insured under said chapter 32B shall have their eligibility and coverage transferred to the jurisdiction of the group insurance commission effective 4 months after the transfer date and those persons shall cease to be eligible or insured under said chapter 32B. The group insurance commission shall provide uninterrupted coverage for group life and accidental death and dismemberment insurance and group general or blanket insurance providing hospital, surgical, medical, dental and other health insurance benefits to the extent authorized under chapter 32A of the General Laws. All questions relating to group insurance rights, obligations, costs and payments shall be determined by the group insurance commission, and shall include the manner and method for the payment of all required premiums applicable to all such coverage.

(c) The human resources division of the executive office for administration and finance shall assume the obligations of the sheriffs of Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties to their employees who become state employees and who are covered under a health and welfare trust fund agreement established under section 15 of chapter 32B of the

General Laws pursuant to a collective bargaining agreement until the expiration date of the collective bargaining agreement.

(d) Any monies in the employees' group insurance trust fund of the sheriffs of Barnstable, Bristol, Dukes, Norfolk, Plymouth and Suffolk counties established pursuant to section 8A of said chapter 32B 3 months after the transfer date shall be transferred to the Group Insurance Commission Trust Fund established pursuant to section 9 of said chapter 32A.

(e) Any monies in a claims trust fund established pursuant to section 3A of said chapter 32B are hereby transferred to the group insurance commission as of the transfer date; but any city, town or district that participates in the county's group insurance plans pursuant to section 11 of said chapter 32B or jointly purchased insurance with a county pursuant to section 12 of said chapter 32B, the pro rata share of the excess shall be returned to the participating city, town or district. The county's treasurer shall provide the group insurance commission with an accounting of the Claims Trust Fund which shall be for the one year period immediately preceding the transfer date and shall include a calculation of the employee, retiree and surviving spouse contributions that are in excess of the claims costs and expenses of the plans for which the contributions were made. The treasurer shall routinely forward to the group insurance commission any claims for health insurance claims made on behalf of the active employees and retirees of the county.

SECTION 18. The division of local services of the department of revenue shall consult the cities of Boston, Chelsea and Revere and the town of Winthrop about the continuing need for a government of Suffolk county, and shall report its recommendations, with the drafts of any

legislation, to the secretary of administration and finance and the clerks of the senate and the house of representatives not later than February 1, 2009.

SECTION 19. County commissioners, county sheriffs, county treasurers, county retirement systems, the State-Boston retirement system, and all executive branch agencies and officers shall cooperate with the secretary of administration and finance in effecting the orderly transfer of the county sheriffs to the commonwealth. The secretary may establish working groups as she considers appropriate to assist in the implementation of the transfer.

SECTION 20. Sections 3, 4, 5, 11, 12, 13, 14, 15, 16 and 17 shall take effect on January 1, 2009.